

by the board as a result of making such loans; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds; and interest received from investments of any such money. The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Housing Assistance Fund shall be paid out of the money of the fund, but the money of the fund which is not immediately committed to the payment of principal and interest on such bonds, the making of home mortgage loans as herein provided, or the payment of expenses as herein provided may be invested *as authorized by law* [~~in bonds or obligations of the United States~~] until the money is needed for such purposes.

SECTION 3. Article III, Section 49-b-1, of the Texas Constitution is amended by adding Subsection (h) to read as follows:

(h) This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Housing Assistance Program and the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 5, 1991. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to authorize the legislature to further implement and enhance the administration of the veterans' housing assistance and land programs and to expand the investment authority of the Veterans' Land Board."

Adopted by the Senate on March 27, 1991, by the following vote: Yeas 29, Nays 0.

Adopted by the House on April 22, 1991, by the following vote: Yeas 136, Nays 0, one present not voting.

Filed with the Secretary of State, April 24, 1991.

S.J.R. No. 34

SENATE JOINT RESOLUTION

proposing a constitutional amendment to increase the amount of bonds that may be issued for economically distressed areas under existing bond authorization.

Be it resolved by the Legislature of the State of Texas:

SECTION 1. Article III, Section 49-d-7(e), of the Texas Constitution is amended to read as follows:

(e) The legislature may provide by law for subsidized loans and grants from the proceeds of bonds authorized by this section to provide wholesale and retail water and wastewater facilities to economically distressed areas of the state as defined by law, provided, the principal amount of bonds that may be issued for the purposes under this subsection may not exceed ~~50~~ 20 percent of the total amount of bonds authorized by this section. Separate accounts shall be established in the water development fund for administering the proceeds of bonds issued for purposes under this subsection, and an interest and sinking fund separate from and not subject to the limitations of the interest and sinking fund created pursuant to Section 49-c for other Texas water development bonds is established in the State Treasury to be used for paying the principal of and interest on bonds for the purposes of the subsection. While any of the bonds authorized for the purposes of this subsection or any of the interest on those bonds is outstanding and unpaid, there is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by this constitution, ~~an~~ and amount that is sufficient to pay the principal of and interest on those bonds issued for the purposes under this subsection that mature or become due during that fiscal year.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 5, 1991. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to increase from 20 percent to 50 percent the percentage of Texas water development bonds previously authorized by Texas voters that may be issued for economically distressed areas."

Adopted by the Senate on April 18, 1991, by the following vote: Yeas 30, Nays 0.

Adopted by the House on May 17, 1991, by the following vote: Yeas 125, Nays 9, one present not voting.

Filed with the Secretary of State, May 21, 1991.

S.J.R. No. 39

SENATE JOINT RESOLUTION

proposing a constitutional amendment to exempt from property taxes certain property in an enterprise zone.

Be it resolved by the Legislature of the State of Texas:

SECTION 1. Article VIII of the Texas Constitution is amended by adding Section 1-k to read as follows:

Sec. 1-k. (a) A county, junior college district, or municipality, including a home-rule municipality, may exempt tangible personal property from ad valorem taxation if:

(1) the property is acquired in or brought into the state in an enterprise zone to be forwarded outside the state, whether the intention to forward the property outside the state is formed or the destination to which the property is forwarded is specified when the property is acquired or brought into the state in an enterprise zone;

(2) the property is assembled, stored, repaired, maintained, manufactured, processed, or fabricated in the enterprise zone;

(3) the property is transported outside the state not later than 175 days after the date that the person acquired the property or brought it into the state in an enterprise zone; and

(4) the person who acquired the property or brought the property into the state in an enterprise zone is a qualified business.

(b) A county, junior college district, or municipality, including a home-rule municipality, may exempt property under Subsection (a) of this section if the governing body of the county, junior college district, or municipality enters into a written agreement with the qualified business that states the duration of the exemption and the terms upon which the exemption shall be granted. Any official action to exempt property under Subsection (a) of this section must be taken before April 1 of the first year in which the property otherwise would be taxed, and if the action is taken before that time, the exemption applies for the period specified in the written agreement.

(c) In this section, "enterprise zone" means an area that:

(1) has been designated as an enterprise zone by a state agency responsible for economic development; and

(2) meets qualifications established by general law that include the requirement that the area of the designated zone be an area with pervasive poverty, unemployment, and economic distress.

(d) In this section, "qualified business" means a business that meets the qualification established by general law that includes the requirement that the qualified business is actively engaged in a new business in the enterprise zone or is expanding a business that is already active in the enterprise zone.